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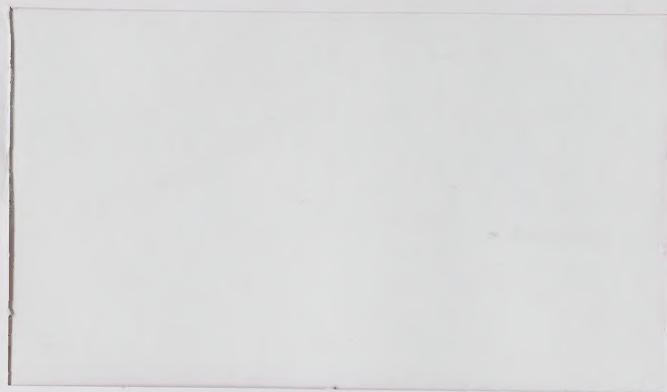
EMPLOYER - EMPLOYEE INTERESTS  
IN JOB TRAINING

Pierre Paquet

# Skill Development Leave Task Force

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Background Paper 25

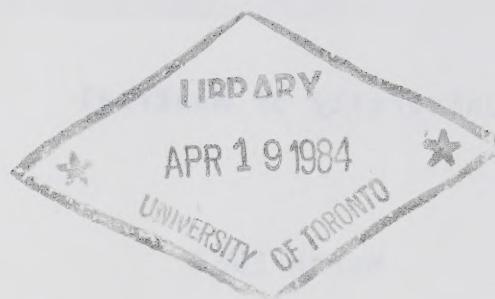
**EMPLOYER - EMPLOYEE INTERESTS  
IN JOB TRAINING**

Pierre Paquet

University of Montreal

March 1983

This is one in a series of background papers prepared for the Task Force on Skill Development Leave. The opinions expressed are those of the author(s) and do not necessarily reflect the views of the Task Force or the Department of Employment and Immigration.



SUMMARY OF THE MAIN FINDINGS OF A SURVEY OF  
TRAINING PRACTICES AND INVESTMENTS WITH  
INFLUENCE ON INDUSTRY IN QUEBEC IN 1982.

The results of a survey among Quebec firms  
leads to conclude that training is a widespread practice. An  
analysis of data on training in Quebec seems to show a significant  
variance in training practices between different sectors.

This document summarizes the principal data on  
job training published in:

PAQUET (Pierre), DORAY (Pierre), BOUCHARD (Pierre),  
Sondage sur les pratiques de formation en entreprise.

Quebec, Ministry of Communications, 1982, 245 p.

Establishments seem, in general, that employees of more than  
and independent firms have much more training during their work.  
The difference is visible in the little difference in the  
factory, professional and commercial sectors. There  
there seems to be the smallest variation in the size of  
of the organization. We can be called the size of the  
training system. Furthermore, observations show the  
characteristics of employees and employees seems to be  
correlated.

An analysis of training characteristics reveals a  
predominant role of wages of employees of these sectors training  
not in connection with the employee's job position but per  
weighted by the time in the form of a transfer function or  
with training. According to our survey, there is a link in  
the training system.



SUMMARY OF THE MAIN FINDINGS OF A SURVEY OF JOB  
TRAINING PRACTICES AMONG ESTABLISHMENTS WITH  
TWENTY OR MORE EMPLOYEES IN QUEBEC.

The extent of establishment training in Quebec firms tends to confirm that training is a widespread practice. An analysis of data on access to training reveals a dual situation: a significant minority of establishments, employing 80% of the labour force covered by our survey, provide a favourable training environment while the majority of establishments, employing 20% of the labour force, do not. The latter include firms that provide no training, firms that provide on-the-job training only, and firms that provide organized training on an "ad hoc" basis only (not within the framework of a training policy or program). Access to training is discriminatory and varies according to the characteristics of the establishments and their employees.

A more thorough analysis of the characteristics of establishments shows, in general, that employees of small firms and independent firms have much more limited access to training. The employee's position in the firm's hierarchy is also a factor; executive, professional and managerial employees clearly have easier access than the unskilled employees at the other end of the organization who can be called the misfits of the training system. Furthermore, discrimination due to the characteristics of establishments and employees appears to be cumulative.

An analysis of training characteristics reveals a predominant model based on activities of short duration carried out in connection with the employee's job or position but not recognized by the firm in the form of a transfer, promotion or wage increase. According to our survey, extended training is

practically non-existent outside the public and para-public sectors. Training of a social or general nature is secondary among the training available to employees. Furthermore, completed training is rarely recognized by firms in the form of a transfer, promotion or wage increase. However, a majority of establishments indicated that some of their employees receive a certificate upon completion of training during working hours; this limits our statement, that training goes unrecognized, to the direct impact of training on the working conditions of employees who receive training.

Data on control of training shows the predominant role of employers. It can be said, in general, that training is the employer's prerogative and that employees and their organizations have a relatively minor influence over the entire process. Very rarely is training introduced as a result of employer-employee negotiation (collective or other agreement). With respect to training during working hours (the principal form of training), employees are required to accept training like other tasks assigned to them. In the case of training outside working hours (tuition fee reimbursement plan), the employee has more freedom of action provided the training initiative is related to his job.

Considering the nature of training and the limited control of employees and their organizations over it, it can be said, in general, that establishment training is a direct function of the firm's immediate needs, namely adapting the worker to his job. In this respect, a large part of the labour force is employed by establishments capable of meeting these needs. However, it is less obvious that establishment training can adequately meet the skill development needs of the workers relative to improving their competence, hedging against layoffs and plant closures, improving their chances of promotion within the organization and obtaining more steady, more satisfying and better paying jobs.

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## INTRODUCTION

Other surveys have shed light on job training practices in Quebec but with few results. At the time of this project, the partial data available made it difficult for us to obtain a specific and up-to-date picture of the extent, nature and characteristics of training. Recent data is rather fragmented and, even on the basis of older data, it is difficult to describe with accuracy the training practices of firms in Quebec.(1)

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- (1) The surveys conducted in the past ten years on establishment training practices were national in scope. We were able to obtain data on the situation in Quebec from the following:
  - 1) STATISTICS CANADA, Ottawa. Training in Industry (1969-70). Ottawa, Information Canada, Feb. 1973, 75 p. (Catalogue 81-555, occasional).
  - 2) STATISTICS CANADA, Ottawa. "Employer Sponsored Training Programs", Labour Force, Jan. 1975, pp. 79-86. (Catalogue 71-001).
  - 3) ADAMS (R.J.) et al. Education and Working Canadians, Labour Canada, Ottawa, June 1979, 362 p. ADAMS (R.J.), Training in Canadian Industry: Research, Theory and Policy Implications. Hamilton, McMaster University, April 1980, 35 p.
  - 4) BETCHERMAN (Gordon). "Developing Skilled People". Chap. VII in : Meeting Skill Requirements, Economic Council of Canada, Ottawa, 1982, pp. 43-54. BETCHERMAN (Gordon) Skills and Shortages: A Summary Guide to the Findings of the Human Resources Survey. Supply and Services, Ottawa, 1980, 19 p.

These surveys provide aggregate data on establishment training in Canada. However, data by province, which would permit a description of the specific situation in Quebec and a comparison with the situation in Ontario and Canada as a whole, is relatively rare.

The purpose of this project was to fill the gap by recording all training provided by establishments with twenty or more employees, in all industry sectors of Quebec. The idea was to paint an overall picture and not focus on a single dimension, aspect or part of establishment training.

Our mandate, as defined in the framework of this project, was to provide answers to three questions of interest to both workers and their social partners:

- The first question, which was extensively developed in the survey, concerns access to training: do Quebec workers have an equal opportunity to receive employer-sponsored training or does this opportunity vary depending on the characteristics of the establishments and their employees?
- The second question concerns the specific characteristics of establishment training: is training broad in scope, transferable and long-term or is it directly related to the job, not officially recognized and short-term?
- The third question concerns control of training or the division of responsibility among employers, unions and the workers directly concerned: is training "the exclusive domain of employers" or is it more a shared responsibility resulting from agreements of one form or another? What policies and mechanisms have been established for this purpose? What is the role of the workers?

The answers to these three related questions will make it possible to get a better idea of the nature and character-

istics of establishment training, an activity not widely known or discussed in Quebec. Changes in the industrial structure and the prospect of technological change lead us to believe that the subject of establishment training will become increasingly more important in discussions between the social partners. In this perspective, it was necessary to determine the situation of establishment training in Quebec so as to clearly identify the point of departure and, consequently, the policies to be implemented and the strategies to be developed to reach the objectives pursued.

The primary objective of this survey was to determine general trends without ignoring the diversity of establishment training activities. We do not claim that a quantitative survey of this type is the only measurement. Obviously, qualitative data would shed valuable additional light on the subject. Nevertheless, by describing the general situation, our survey adds fuel to the debate on establishment training, based on concrete facts and a direct knowledge of current practices in Quebec.



## 1. BACKGROUND OF SURVEY ON JOB TRAINING PRACTICES

### 1.1 Variables Used to Collect Data on Job Training Practices in Quebec

#### 1.1.1 Variables Used to Analyze Access to Training

##### a) Variables Pertaining to Training:

As a starting point, we used the variable training activity in order to broaden the notion of establishment training to include on-the-job training<sup>(1)</sup>, training during working hours and training outside working hours for which the employer pays part or all of the tuition fees. Excluded from our definition of training activity are union training, because it is not employer-initiated, and apprenticeship which we consider to be an extension of initial training.

This first variable makes it possible to distinguish between establishments that provide some training and establishments that provide none. The second variable we used was organized training activities which include training courses, seminars, conferences, work sessions, etc. This enabled us to distinguish between establishments that have no organized training activities (either they provide no training or they provide on-the-job training only) and establishments that provide organized training activities (during or outside working hours).

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(1) On-the-job training is a training activity which takes place entirely within the work or production environment.

Finally, a third even more restrictive variable enabled us to distinguish between establishments that have a training policy or program and establishments that do not. This variable excludes establishments which provide organized training on an "ad hoc" basis. Those which provide organized training under a training policy or program are likely to provide their employees better access to training because of the recurrent nature of the activities.

Each of these variables was examined on the basis of the following indicators:

- percentage of establishments providing training; (establishment training rate);
- percentage of labour force employed by these establishments; and
- percentage of employees who have received training (employee training rate).

To evaluate access to training, the establishments were classified into five categories: those which provide no organized training 1. no training; 2. on-the-job training only and those which provide; 3. training during working hours only; 4. training outside working hours only; 5. training during and outside working hours.

#### b) Variables Pertaining to Workers and Establishments

As mentioned earlier, access to training was the predominant aspect of our training survey. In this respect, not only did we analyze general data but we sought to determine the extent to which access to training varies according to the characteristics of the establishments and their employees. Following are the principal variables we used for this purpose:

Occupational category which divides workers into five categories: 1. executive and managerial employees (all levels); 2. professionals and semiprofessionals; 3. office employees; 4. skilled workers; and 5. unskilled workers.

We also used four other variables likely to define establishments in general terms.

Establishment size, defined in terms of the number of regular employees: 20 to 99, 100 to 499 and 500 employees and over.

Industry group in which the establishment operates.

Establishment status, whether the establishment operates in the public, para-public or private sector; in the private sector, establishments are further divided into independent establishments and integrated establishments (division, subsidiary, member of holding company).

Presence of Union, applicable when a category of employees belongs to a union.

#### 1.1.2 Variables Used to Analyze the Specific Characteristics of Training

Six main variables were used to describe the characteristics of available training. Some were used for each form of training while others were used only in the case of training during working hours which was examined in greater depth since it represents the bulk of training practices.

- a) Type of training, which distinguishes between training of a vocational nature (training for new employees, updating or development of skills), non-vocational training related to the

job (orientation training to acquaint the employee with the organization, industrial health and safety training) and training of a social or general nature (including language training).

- b) Place of training, whether training takes place entirely or partially within the work or production environment.
- c) Type of resource, used to distinguish between internal and external training resources, private organizations (training consultants or professionals, equipment suppliers, industry associations) and public organizations (teaching institutions, manpower centers or other government agencies) used in the various stages of the training process.
- d) Award of certificate upon completion of training.
- e) Recognition of completed training by a transfer, promotion, raise or neither.
- f) Duration of training, short or long.

#### 1.1.3

#### Variables Used to Analyze Control of Training

Three variables were used to evaluate employers' control of training.

- a) Initiation of training, whether training is initiated by the employer or introduced by collective bargaining or some other agreement.
- b) Access conditions which determine training eligibility defined by the employer.
- c) The mandatory or optional character of training distinguishes between training required of the employee or

recommended to him by the employer and training initiated by the employee subject to employer approval.

## 1.2 Assumptions

The foregoing variables were used to analyze the data collected during the survey in regard to the three questions stated earlier and the assumptions made regarding job training.

### 1.2.1 Access to Training

Given a labour market that is segmented or stratified as opposed to uniform, we have made the following assumption regarding access to training:

ACCESS TO TRAINING VARIES ACCORDING TO THE CHARACTERISTICS OF THE WORKERS AND THEIR PLACE OF WORK.

In the primary sector and especially the advanced technology sector, the development of establishment training is directly related to the new requirements of production. In general, training is considered to be a necessary tool to adapt the worker to his job. To increase worker productivity, firms have a direct and immediate interest in developing the skills of their employees in order to acquire a reliable, convertible, mobile and transferable labour force capable of adapting to changes and innovations in the production system.

The usual practice of these firms is to provide one or more forms of training (on-the-job, during or outside working hours) so that the majority of workers can potentially benefit from one or more of the training activities. We can assume that large establishments, like those in the public sector, have a tendency to provide several forms of training simultaneously (on-the-job, during normal working hours and outside normal

working hours), in greater variety and in a more structured manner (organized training and under a training policy or program).

Access to training is also dependent on the employee's position in the firm (i.e. - occupational category) and on his personal characteristics. We can thus assume that access to training will follow the hierarchy and that executive, professional and managerial employees will enjoy greater access than office employees and "non-office" employees.

These two structural factors (position in firm and characteristics of the work place) have a cumulative discriminatory effect with respect to access to training. Thus, unskilled workers, who generally have very limited training opportunities, will have greater access to training in large establishments. Executive, professional and managerial employees, who generally have greater access to training, will have still greater opportunities when employed by large organizations.

Data from previous surveys enabled us to make an assumption on the incidence of training. Although these surveys used a different definition of training, their data shows that Quebec as a region falls below the national average in training activity. The three surveys which provide data on establishments with training<sup>(1)</sup> and the two surveys which provide data on training recipients<sup>(2)</sup> show the same trend. Therefore, according to these surveys, the development of training in Quebec is characteristically below the norm. Thus, the following assumptions:

ESTABLISHMENT TRAINING IS A RELATIVELY MINOR PRACTICE IN QUEBEC AND AFFECTS A SMALL PROPORTION OF THE LABOUR FORCE.

(1) Statistics Canada (1969-1970), Adams Commission (1978) and Economic Council of Canada (1979).

(2) Statistics Canada (1973) and Adams Commission (1978)

### 1.2.2 Characteristics of Training

While changes in the production system promote the development of training, economic reality dictates cost restrictions which affect the nature of establishment training.

TO MINIMIZE THE COST OF ADAPTING THE LABOUR FORCE, AS PRINCIPAL OBJECTIVE, ESTABLISHMENT TRAINING TENDS TO ADHERE TO THE FOLLOWING MODEL:

- 1) TRAINING RELATED TO THE TASK OR AIMED AT INTEGRATING THE WORKER INTO THE FIRM:
- 2) TRAINING OF SHORT DURATION:
- 3) TRAINING NOT RECOGNIZED BY A DIPLOMA OR CERTIFICATE OR BY A CHANGE IN WORKING CONDITIONS: WAGE INCREASE OR CLASSIFICATION CHANGE.

The most common type of training is of a specific and "practical" nature rather than of a general nature designed to promote the acquisition of skills for the purpose of mastering a trade or production process. In general, firms do not recognize the acquisition of skills which would lead to a change in working conditions. The "practical" training, usually related to the job, is considered to be part of the job. Any deviation from this model is usually associated with workers at upper hierachial levels (executive, professional and managerial employees, employed by large firms in the public or para-public sectors.

We will therefore attempts to determine a predominant training model designed to meet labour adaptation needs at a minimal cost.

### 1.2.3. Control of Training Activities

The need to minimize labour adaptation costs favours maximum control of training by employers who tend to claim exclusive jurisdiction in this area. On the other hand, workers interested in developing their skills would benefit from establishing as much control as possible over training. However, our analysis of the present situation in Quebec indicates that workers and their organizations have rarely succeeded in making significant gains in this area. Thus, the following assumption:

CONTROL OF THE VARIOUS TRAINING STAGES AND THEIR IMPLEMENTATION IS GENERALLY THE EXCLUSIVE DOMAIN OF THE EMPLOYER.

Most of the time, training is developed and implemented by the firm's internal resources or with the short-term assistance of external resources (equipment suppliers, consulting firms and industry associations rather than public teaching institutions). Public teaching institutions which tend to offer broader, more recognized training (with diploma or certificate) are relatively unimportant in the scheme of employer-sponsored training.

## 1.3 Survey Data

### 1.3.1 Sample Survey

Considering the importance of establishment size in our analysis of training practices, we have opted for a stratified non-proportional model. Our sample, therefore, overrepresents establishments with 500 or more employees (private sector) and underrepresents the others.(1)

(1) It should be noted that establishment size refers to the number of workers a firm employs in Canada.

### 1.3.2 Method of Data Collection

It should be noted that data was collected according to two very different methods and at different periods of time. The selected firms whose telephone numbers were available were invited to take part in a telephone survey lasting 5 to 10 minutes. This survey was conducted in Montreal between November 19 and December 8, 1980. The firms which provided training during or outside working hours were then invited to complete a questionnaire mailed to them between the 15th and 22nd of December, 1980. Collection was twice expedited by telephone at the end of January and February and was completed on March 20, 1981.

### 1.3.3 Response

Response to the telephone survey was very high (92.6%). Response to the questionnaire sent by mail, even after two follow-up calls and the mailing of some 300 additional questionnaires, was 39.7%.

Taking into consideration the dual approach in data collection, we obtained a complete response from 52.3% of the firms in our sample and a partial response (telephone survey only) from 40.3% of the firms. On the whole, we collected data from 1617 firms with twenty or more employees in Quebec.

## 1.4 Characteristics of Establishments and Employees Covered in Our Sample

### 1.4.1 Industry Group

The service industries (tertiary) were represented by 57.4% of the firms in our sample and the goods-producing industries (primary and secondary) by 42.6%. The distribution

of employment by sector (primary, secondary and tertiary)  
corresponds, for all practical purposes, to that of the firms.

TABLE 1  
Distribution of Establishments and  
Employment, by Economic Sector

<u>ECONOMIC SECTOR</u>	<u>ESTABLISHMENTS</u>		<u>EMPLOYMENT</u>
	Number	%	%
PRIMARY SECTOR	18	1.1	1.8
SECONDARY SECTOR	669	41.5	42.1
Food	62	3.8	4.2
Textiles	157	9.7	5.3
Lumber	133	8.2	12.5
Mineral products	140	8.7	13.3
Manufacturing	68	4.2	3.3
Construction	110	6.8	3.5
TERTIARY SECTOR	930	57.4	56.1
Transportation	106	6.5	17.1
Trade	311	19.2	6.1
Finance	72	4.4	5.3
Educational services	99	6.1	6.9
Health services	81	5.0	5.0
Other services	225	13.9	7.5
Public administration	37	2.3	8.2
TOTAL	1,617	100	100

#### 1.4.2 Position of Establishment in the Marketplace

The distribution of establishments by sector has some descriptive value but limited analytical value. The fact that a firm produces telephones rather than noodles does not affect personnel management or the role of training. However, the nature of training is affected by the firm's financial situation, profitability, competitive position in national and international markets, and composition of its labour force. In this perspective, the firm's business activity is simply a reflection of these characteristics.

The position of the establishment in the marketplace is the first aspect to be considered. Are we dealing with a small competitive firm in a precarious financial position or with a large firm in "control" of its market? Two variables were used to make this distinction: establishment size and establishment status.

##### a) Establishment Size

In our sample, 60.8% of the firms employed fewer than 100 people, 24.1% employed between 100 and 499, and 15.0% employed 500 or more people. The small firms, although the largest group employed only 8.5% of the labour force in our sample; the medium-size firms and large firms employed 13.4% and 78.1% respectively (see Table 2).

TABLE 2

Distribution of Establishments and Employment,  
by Establishment Size

<u>NUMBER OF EMPLOYEES</u>	<u>ESTABLISHMENTS</u>		<u>EMPLOYMENT</u>
	Number	%	%
20 to 99	979	60.8	8.5
100 to 499	388	24.1	13.4
500 and over	242	15.0	78.1
TOTAL	1609	100	100

b) Establishment Status

The establishments were divided into three categories according to status. The first category includes all public establishments: the public service (federal, provincial and municipal), the para-public service (including all educational services, health and social services) and nationalized or state-owned enterprises. In our sample, 15.3% of the firms employing 34.8% of the sampled labour force, belong to this category.(1)

The private sector, which accounts for 84.6% of sampled establishments and approximately two thirds (65.2%) of firms are those which have a corporate affiliation with other

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(1) It is estimated that one quarter of the labour force in Quebec is employed in the public and para-public sectors. The overrepresentation of this sector in our sample is due to the absence of establishments with less than twenty employees and the absence of certain establishments in the primary sector (agriculture, fishing, trapping, etc.)

firms - e.g. parent firms, subsidiaries, divisions or holdings. They represent 34.7% of the firms in our sample. They are rather large in size, employing 50% of the total labour force even though they account for only slightly more than one third of our sample. Independent firms have no corporate affiliation with other firms. They represent 49.9% of the firms in our sample but only 15.2% of the labour force.

TABLE 3

Distribution of Establishments and Employment,  
by Establishment Status

<u>ESTABLISHMENT STATUS</u>	<u>ESTABLISHMENTS</u>		<u>EMPLOYMENT</u>
	Number	%	%
PUBLIC	245	15.3	34.8
PRIVATE			
- integrated	558	34.7	50.0
- independent	803	49.9	15.2
	1361	84.6	65.2
TOTAL	1606	100	100

1.4.3. Composition of Labour Force

The labour force covered in our survey was divided into three occupational categories:

- executive, professional and managerial employees
- office employees
- "non-office" employees, skilled and unskilled workers.(1)

(1) These categories include the following types of workers respectively:

- executive, professional and managerial employees: executive and managerial (all levels), professionals and semiprofessionals;
- office employees: staff assigned to clerical work or sales;
- non-office employees: skilled and unskilled workers.

On the whole, the labour force employed by the firms covered in our survey is distributed as follows: executive, professional and managerial employees, 21.3%; office employees, 18.4%; and "non-office" employees, 60.2%. Service industries, by the nature of their economic activity, do not have the same distribution of labour force as goods-producing industries. The latter employ a larger proportion of "non-office" employees than service industries but service industries employ more executive, professional, managerial and office employees (see Table 4).

TABLE 4

<u>OCCUPATIONAL CATEGORY</u>	<u>INDUSTRY GROUP</u>		
	<u>GOODS-PRODUCING</u>	<u>SERVICE</u>	<u>TOTAL</u>
	<u>%</u>	<u>%</u>	<u>%</u>
Executive, professional and managerial	14.7	26.3	21.3
Office	12.5	22.9	18.4
Non-office	72.8	50.8	60.2
TOTAL	100 (659)	100 (879)	100 (1538)

The composition of the labour force also varies according to the status of the establishment. Public establishments differ from the private sector by a greater proportion of executive, professional and managerial employees (46.7% compared to 18.6% in integrated firms and 15.6% in independent firms). On the other hand, the proportion of "non-office" employees is clearly greater in integrated firms (60.1%) and independent firms (68.9%, than in public establishments (31.6%). (see Table 5).

TABLE 5  
Distribution of Labour Force by  
Occupational Category and Establishment Status

OCCUPATIONAL CATEGORY	ESTABLISHMENT STATUS			
	PUBLIC ESTABLISHMENTS	PRIVATE ESTABLISHMENTS	INTEGRATED	TOTAL
	%	%	%	%
Executive, professional and managerial	46.7	18.6	15.6	21.3
Office	21.7	21.3	15.5	18.4
Non-office	31.6	60.1	68.9	60.2
TOTAL	100 (229)	100 (527)	100 (772)	100 (1528)

The distribution of the labour force by industry group shows that, in the private sector, integrated firms employ a greater proportion of executive, professional, managerial and office employees than independent firms. Service industries in the private sector also employ a greater proportion of executive, professional, managerial and office employees than goods-producing industries. On the whole, the composition of the labour force varies according to both the industry group and the status of the establishment.

#### 1.4.4

##### Presence of Union

The presence of a union affects labour relations as well as personnel management as the rules of the game are then determined by collective agreement. Training is likely to be negotiated between the employer and his employees with respect to technological change, transfers, promotions, job elimination

and training leave. We should determine whether union presence in a firm affects the development of training.

In Quebec, union statistics indicate that between 30% and 40% of the labour force is unionized. In our sample, 51.0% of the firms, employing 80.1% of the labour force covered in our survey, stated that some of their employees belong to a union (see Table 6). This difference is due to the absence in our sample of establishments with less than twenty employees and to the fact that, in most firms reporting union presence, only some of the employees are unionized. Indeed, as shown in Table 7, only 20.9% of unionized establishments reported unionized executive, professional and managerial employees and 34.0% reported unionized office employees. On the other hand, 95.0% of unionized establishments reported "non-office" employees who belong to a union. Unionization of executive, professional, managerial and office employees is therefore relatively less frequent than that of "non-office" employees.

TABLE 6

Distribution of Establishments by  
Union Presence and Establishment Status

<u>UNION PRESENCE</u>	<u>ESTABLISHMENT STATUS</u>			<u>TOTAL</u> <u>%</u>
	<u>PUBLIC ESTABLISHMENTS</u> <u>%</u>	<u>PRIVATE ESTABLISHMENTS</u> <u>INTEGRATED</u> <u>%</u>	<u>INDEPENDENT</u> <u>%</u>	
Establishments reporting union presence	81.4	50.2	42.3	51.0
Establishments reporting no union presence	18.6	49.8	57.7	49.0
TOTAL	100 (245)	100 (558)	100 (801)	100 (1604)

TABLE 7

Distribution of Unionized Establishments  
Employing Unionized Workers, by Occupational  
Category and Establishment Status

UNION PRESENCE BY OCCUPATIONAL CATEGORY	ESTABLISHMENT STATUS			TOTAL %
	PUBLIC ESTABS. % (I)	INTEGRATED % (I)	INDEPENDENT % (I)	
Executive, professional and managerial	72.6	2.1	3.6	20.9
Office	82.3	23.5	11.8	34.0
Non-office	94.1	95.4	96.8	95.0
TOTAL	81.4 (245)	50.2 (558)	42.3 (801)	(1651.0 04)

The distribution of unionized establishments by status shows significant differences in unionization. In general, 81.4% of public establishments are unionized compared to 50.2% of integrated firms and 42.3% of independent firms. By occupational category, the difference is particularly evident in the case of executive, professional managerial and office employees. Indeed, 72.6% of unionized public establishments employ unionized executive, professional and managerial employees compared to 2.1% and 3.6% of unionized integrated firms and unionized independent firms respectively. The proportion of unionized office employees is 82.3% in unionized public establishments, 23.5% in unionized integrated firms and 11.8% in unionized independent firms.

(1) These percentages total more than 100 because more than one response is possible.

In summary, unionization of executive, professional, managerial and, to a lesser degree, office employees, is closely tied to the status of the establishment whereas unionization of "non-office" employees follows the general trend of union presence irrespective of the status of the establishment.

## 2. SURVEY FINDINGS

### 2.1 Access to Training

#### 2.1.1 General Findings

##### (a) Incidence of Training

Data from previous surveys indicated that the training effort of establishments in Quebec is relatively weak. However, the findings of our survey among Quebec firms prove otherwise. The general indicator of training in one or more forms shows that access to training is widespread. Indeed, 83.3% of the establishments employing 95.3% of the labour force in our sample reported some training activity. As we will see later, this does not mean that access to training is uniform irrespective of the characteristics of the establishments and employees. Training is nevertheless practically available to the entire labour force covered by our survey.

Real access data confirms the extent of training within Quebec establishments with twenty or more employees. We estimate that 36.2% of the total labour force received training during the last fiscal year. Of course, real access is substantially lower than potential access. However, we cannot expect all employees to receive training every year. Data on the three forms of training confirms the extent of establishment training in Quebec (see Table 8).

TABLE 8

Distribution of Real and Potential Access to  
Training, by Presence and Form of Training

	POTENTIAL ACCESS		REAL ACCESS
	Estabs.	Employment	<u>Estimated participation</u>
	(1) %	(1) %	%
<b>A) PRESENCE OF TRAINING</b>			
Presence of training in one or more forms	83.3	95.3	36.2
<b>B) FORM OF TRAINING</b>			
On-the-job training	69.4	87.9	9.8
Training during working hours	55.7	86.3	20.5
Training outside working hours	51.0	84.9	5.9

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(1) These percentages total more than 100 because more than one response is possible.

b) Classification of Establishments According to Form of Training

We have determined the proportion of establishments which provide training in general and by form of training separately. However, this information is not sufficient to provide a complete picture of establishment training. Indeed, many establishments offer their employees more than one form of training, and often, they provide several forms of training at the same time. To determine this, we will describe establishments according to whether they provide training, no training or training in one or more forms at the same time. Establishments can thus be classified into five categories. The first two correspond to firms which provide no organized training: 1) absence of training and 2) on-the-job training only. The last three categories include firms which offer their employees organized training in some form: 3) training during working hours only; 4) training outside working hours only; and 5) training during and outside working hours.

Table 9 shows the distribution of establishments and their employees according to this classification. It shows that 66.4% of the establishments employing 90.8% of the labour force in our sample, provide organized training. Among these, training during and outside working hours is the most common practice (40.2% of the firms employing 80.5% of the total labour force in our sample). Therefore, one third of the firms (33.6%), employing 9.2% of the workers, provide no organized training. These firms include an almost equal proportion of firms providing training (16.7%) and firms providing on-the-job training only (16.9%). Figures 1 and 2 show the distribution of establishments and their employees according to the categories defined above which formed the basis of our classification.

The real access figures show that establishments which provide organized training account for almost all the participation. Indeed, establishments with no organized training (i.e. - which provide only on-the-job training) account for less than 3.0% of the participation (i.e. - 1.0% of the 36.2% participation). On the other hand, establishments which provide both training during and outside working hours account for more than 90% of the participation (33.2% of the 36.2% participation).

TABLE 9

Distribution of Real and Potential Access  
To Organized Training, By Form of Training

FORM OF TRAINING	POTENTIAL ACCESS		REAL ACCESS
	<u>Estabs.</u>	<u>Employment</u>	<u>Estimated participation</u>
	%	%	
<u>Estabs. with no organized training</u>			
1. No training	16.7	4.7	-
2. On-the-job training only	<u>16.9</u>	<u>4.5</u>	<u>1.0</u>
Sub-total.....	33.6	9.2	1.0
<u>Estabs. with organized training</u>			
3. Training during working hours	15.5	5.8	1.4
4. Training outside working hours	10.8	4.5	0.6
5. Training during and outside working hours	<u>40.2</u>	<u>80.5</u>	<u>33.2</u>
Sub-total.....	66.4	90.8	35.2
TOTAL.....	100	100	36.2

c) Training Policies and Programs in Establishments  
Providing Organized Training

The third variable, presence of training policy or program among establishments which provide organized training, was the most restrictive. This variable makes it possible to evaluate the number of firms best organized in the area of training because they offer training on a regular than ad hoc basis. Table 10 shows that 44.6% of the establishments, employing 79.9% of the total labour force in our sample, fall into this group.(1) These firms account for the greater proportion (90.9%) of the participation (32.9% of the 36.2% participants).

(1) It should be remembered that establishments with less than 20 employees are not represented in our sample. Had these firms been included, the proportion of firms (and labour force) with no training policy or program would, obviously, be still greater.

FIGURE 1

Distribution of Establishments by  
Form of Training

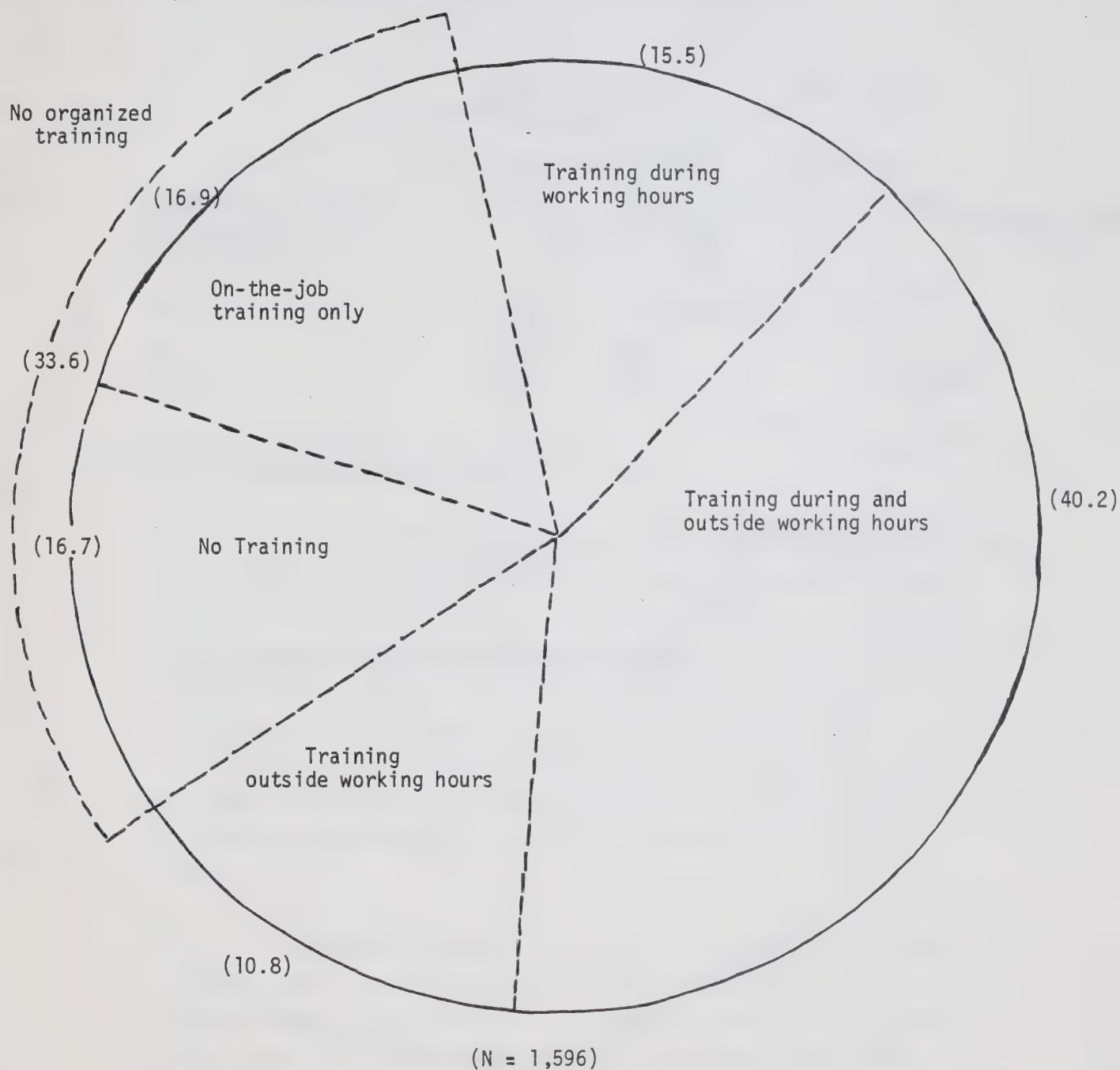


FIGURE 2

Distribution of Labour Force by  
Form of Training

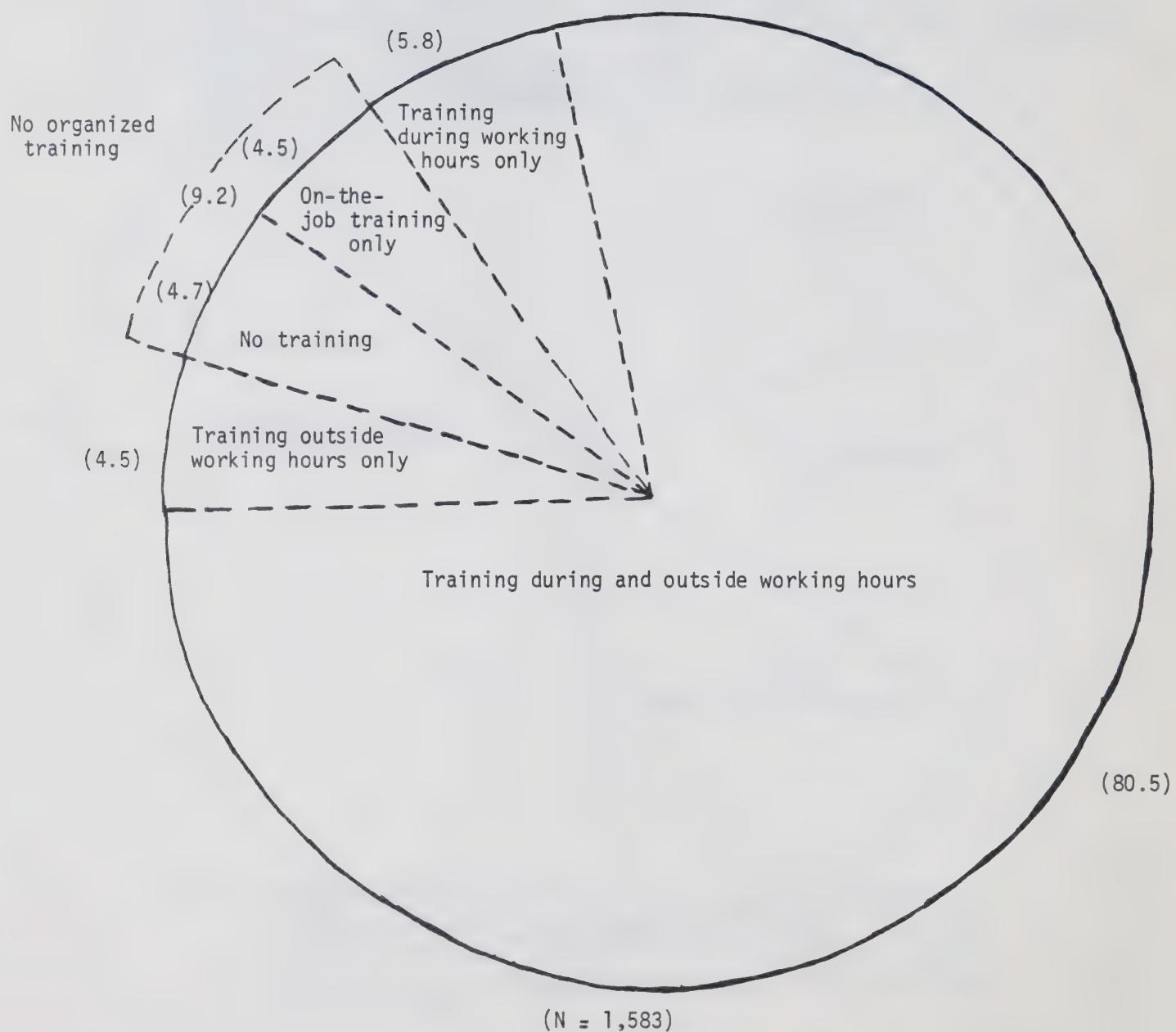


TABLE 10

Distribution of Real and Potential Access  
to Training Policies or Programs Among  
Establishments Reporting Organized Training

<u>PRESENCE OF POLICY</u> <u>OR PROGRAM</u>	<u>POTENTIAL ACCESS</u>		<u>REAL ACCESS</u>
	<u>Estabs.</u>	<u>Employment</u>	<u>Estimated</u> <u>participation</u>
	<u>%</u>	<u>%</u>	<u>%</u>
YES	44.6	79.9	32.9
NO	21.8	10.9	2.3
TOTAL	66.4	90.8	35.2

2.1.2 Highlights of Access to Training

Table 11 which summarizes access to training according to our three measurement variables confirms that potential access to training is relatively high among Quebec establishments with twenty or more employees. For all practical purposes, four employees out of five are likely to receive training eventually because they are employed by firms that provide organized training and that have a training policy or program. The real access figures show that over 90% of the workers who participated in training are employed by such firms.

In summary, our analysis of data on access to training revealed a dual situation: a significant minority of establishments, employing 80% of the labour force covered by our survey, provides a favourable training environment while the

majority of establishments, employing 20% of the labour force, does not. The latter includes firms that provide no training, firms that provide on-the-job training only, and firms that provide organized training on an "ad hoc" basis only (not within the framework of a training policy or program).

TABLE 11

Summary Table of Distribution of Access to  
Training, by Our Three Measurement Variables

<u>MEASUREMENT VARIABLE</u>	<u>POTENTIAL ACCESS</u>		<u>REAL ACCESS</u>
	<u>Estabs.</u>	<u>Employment</u>	<u>Estimated Participation</u>
1. Presence of training in one or more forms			
. YES	83.3	95.3	36.2
. NO	16.7	4.7	-
. TOTAL	100.0	100.0	36.2
2. Presence of Organ- ized Training			
. YES	66.4	90.8	35.2
. NO	33.6	9.2	1.0
. TOTAL	100.0	100.0	36.2
3. Presence of training policy or program			
. YES	44.6	79.9	32.9
. NO	55.4	20.1	3.3
. TOTAL	100.0	100.0	36.2

2.1.3 Main Findings of Our Analysis of Access to Training  
According to the Characteristics of Establishments  
and their Employees

While our survey revealed a high establishment training rate, a high employee training rate and a high proportion of workers employed by establishments reporting training, the data we have just presented also shows the diversity of training according to the type of establishment. Access to training is affected by the characteristics of the establishment and by the stratified (or segmented) nature of the market in which it operates.

Our analysis of the characteristics of establishments has produced the following findings:

a) Industry Group

The goods-producing and service industries are equally active in terms of training: the proportion of workers who have a potential and real access to training in these industries is comparable. However, the goods-producing industry differs from the service industry by the concentration of training in a smaller proportion of firms.

A certain homogeneity is noticeable among goods-producing firms in the industrial sectors (and sub-sectors). Two industries, however, stand out by their limited training effort: the construction and textile industries which provide less access to training and especially to organized training (during and outside working hours). Two groups stand out in the service industry: public administration, health and educational services, which have a very high potential access, and trade and services (personal and industrial), in the private sector, which have a more limited access.

Finally, two private industries stand out depending on the variable used. The finance industry is the industry which provides the least access to training. A small number of financial enterprises, employing approximately 30% of the labour force in our sample, provide no training for their employees. The transportation industry is at the other end of the spectrum by providing the greatest access: a smaller proportion of firms, employing the vast majority of workers in this sector provides training.

b) Position of Establishment in the Marketplace

Potential access (the establishment training rate and proportion of the labour force employed in firms providing training) increases with the size of the establishment. Real access to training, among firms which provide training, remains relatively unaffected by the size of the establishment. However, in view of the fact that few small establishments reported training, the proportion of workers in our sample employed by these firms who participated in organized training (during or outside working hours) tends to be small. Also, the majority of workers who receive training in small establishments have access to on-the-job training only. This happens less frequently in large and medium-size firms.

Therefore, employees of small firms are, in many respects, clearly disadvantaged in regard to access to training. Real and potential access is greater in medium-size firms but still more limited than in the large firms which provide the most favourable conditions. In other words, employees of large firms not only have greater access to training, but have a greater likelihood of benefiting from training on a regular rather than ad hoc basis within the framework of a training policy or program.

The status of the establishment also affects access to training. The proportion of firms which provide training, especially organized training (during or outside working hours), is higher in the public sector than in integrated firms. However, a wide gap separates integrated firms from independent firms which have a much lower establishment training rate.

However, the proportion of the labour force which has access to training in public establishments and integrated firms is comparable. Therefore, potential access in these two categories of establishments would also be high. Thus, we can conclude that a certain number of integrated firms, employing a small proportion of the labour force provide less training. Potential access in independent firms remains lower with respect to both indicators.

Real access to training in establishments that provide training is not affected by the status of the establishment. However, in view of the fact that a smaller proportion of the labour force has access to training in independent firms, compared to the total firms in our sample, the rate of participation in organized training (during or outside working hours) is lower in independent firms. Indeed, on-the-job training tends to be more developed in independent firms than in public and integrated firms. In independent firms, a large proportion (42.1%) of workers who receive on-the-job training have access to this form of training only.

Our analysis of the size and status of establishments seems to confirm the importance of considering a stratified (or segmented) labour market and the human resource management methods used in these markets. Whereas the government is seen as a "training conscious" employer, in the private sector, the position of the firm in the marketplace is a factor in the development of training. The firms in control of their market

(sale of their products) can easily invest in the development of human resources. This privileged economic position can be maintained by a large production capacity (large firms) or by integration with another firm.

c) The Presence of Union

The three variables we used to measure the impact of union presence on access to training produce discontinuous results. The presence of a union does not affect the availability of training in one form or another. However, a higher proportion of employees have access to training in unionized firms and real access figures show that the employee training rate is higher in non-unionized firms.

The two variables we used to measure potential access (establishment training rate and proportion of labour force with access to training), show that organized training in general and the availability of training during and outside working hours are more widespread in unionized firms. However, real access to organized training is comparable irrespective of union presence.

The number of unionized firms with a training policy or program is comparable to that of non-unionized firms. However, the employee training rate in firms which have a training policy or program is higher in unionized firms.

A more detailed analysis is required to distinguish the effects attributable to union presence from those attributable to other factors like the status and size of the establishment.

d) Occupational Categories

Potential access to on-the-job training is higher among office employees and non-office employees than among executive,

professional and managerial employees. However, the opposite is true for real access: the rate of participation of executive, professional and managerial employees in on-the-job training is twice as high as that of office employees and non-office employees.

Potential and real access to organized training is clearly greater among executive, professional and managerial employees than among the other categories of workers. Office employees and skilled workers have approximately the same access (real and potential). The unskilled workers, however, can be called the "rejected" of the training system.

## 2.2 Specific Characteristics of Training

Based on available data, the three forms of training will be described according to the following variables: 1) type of training; 2) duration of training; 3) place of training; 4) type of resource; 5) certificate awarded upon completion of training; and 6) recognition of completed training by the employer in the form of a transfer, promotion or wage increase. Additional findings will be presented in certain cases other than marginal. For example, we will determine whether type of training provided or recognition of completed training varies according to presence of a training policy or program.

As noted previously, we sought to collect as much information as possible on training during working hours. Therefore, the section on this form of training in our questionnaire was extensive. All the variables mentioned above will be considered in describing training during working hours but some will be left out in describing on-the-job training and training outside working hours.

### 2.2.1 Training During Working Hours

#### a) Type of Training

Firms which provide training during working hours usually do so in the form of activities directly related to the employee's job. Indeed, a significant proportion of firms (92.2%) provided training of a vocational nature: 76.6% of these provided training to update skills (or to adapt to new technology), 48.6% provided training for new employees to enable them to perform their job and, a smaller proportion (28.4%) provided training to update or develop skills following a transfer or promotion (see Table 12).

The second type of training is training of a non-vocational nature but related to the employee's job or position: orientation training to acquaint the employee with the organization, industrial health and safety training. This type of training was provided during working hours by 49.5% of the firms in our survey. Training of a general nature is clearly more limited: 32.3% of the firms provided this type of training during the past fiscal year: 21.5% of the firms provided training of a general or social nature, and 19.5% provided language training.

These figures show that training during working hours consists mainly of activities related to the employee's job or position. However, we were able to observe some variations depending on whether or not the firm has a training policy or program. The greatest variation was recorded relative to orientation training: this type of training is much more common among firms which have a training policy or program. Orientation training was reported by 55.5% of these firms compared to 35.4% of firms with no training policy or program. Moreover, firms with a training program reported a greater proportion of orientation training (37.9% compared to 27.4%) and training to update skills (82.8% compared to 71.3%).

TABLE 12

Distribution of Establishments Providing Training

During Working Hours, by Type of Training

<u>TYPE OF TRAINING</u>	<u>ESTABLISHMENTS</u>	
	<u>Number</u>	<u>% (1)</u>
<u>Training of Vocational Nature</u>		
Training to enable a new employee to perform his job.	160	48.6
Training to update skills (or to adapt to new technology) to enable an employee to continue performing his job.	254	76.6
Training to update or develop skills following a transfer or promotion	94	28.4
Sub-total	305	92.1
<u>Training of Non-vocational Nature Related to the Job</u>		
Orientation training to acquaint the employee with the organization	111	33.7
Industrial health and safety training	100	30.3
Sub-total	163	49.5
<u>Training of General Nature</u>		
Language training	64	19.5
Training of social or general nature	71	21.5
Sub-total	106	32.3
<u>Other Training</u>		
Miscellaneous	17	5.2

(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested. (N = 329).

b) Duration of Training

An analysis of the duration of training reported by the firms in our sample indicates a preference for short-term training: training lasting more than one day but less than three consecutive months on a full-time basis (70.5% of firms); training lasting less than one day at a time but spread over several weeks or months (61.7% of firms). Extended training (lasting more than three consecutive months on a full-time basis) is relatively rare: only 13.5% of the firms reported that some of their employees received extended training during the past fiscal year<sup>(1)</sup> (see Table 13).

c) Place of Training

Training during working hours usually takes place entirely outside the employee's work or production environment. In our survey, 73.3% of the firms reported this type of training compared to 50.4% which reported training only partially outside the employee's work or production environment (see Table 14).

(1) We had intended to examine in further detail the characteristics of extended training but the number of respondents to our questionnaire sent by mail who reported such training was too small (a total of 40 firms) to permit a comprehensive analysis.

TABLE 13

Distribution of Establishments Reporting Training

During Working Hours, by Duration of Training

<u>DURATION OF TRAINING</u>	<u>ESTABLISHMENTS</u>	
	Number	(1) %
<u>Training of short duration</u>		
Less than one day at a time but spread over several weeks or months	185	61.7
More than one day but less than 3 consecutive months on a full- time basis	212	70.5
<u>Extended Training</u>		
More than 3 consecutive months on a full-time basis	40	13.5

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(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested. (N = 300).

TABLE 14

Distribution of Establishments Reporting Training  
During Working Hours, by Duration of Training

<u>PLACE OF TRAINING</u>	<u>ESTABLISHMENTS</u>	
	Number	%
<u>Entirely outside the employee's work or production environment</u>	235	73.3
<u>Partially outside the employee's work or production environment</u>	162	50.4

---

(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested. (N = 321).

d) Type of Resource

We have examined the type of resource used in the training process in the first phase of training (assessment of training needs, development and evaluation of training programs and activities) as well as in the second phase (instruction and supervision of training).

According to Table 15, a small majority of establishments (51.6%) used internal resources, exclusively or in part in the assessment of needs, development and evaluation of training programs and activities, and 42.1% of establishments used internal resources exclusively for instruction and supervision of training.

However, external resources play an important part in training during working hours, especially private training organizations: more than 60% of the establishments reported using the services of such organizations in one or the other of the training stages. In order of importance, training consultants and professionals are employed by 30.5% of the establishments for the assessment of training needs and development of training programs, and 34.1% for instruction and supervision of training. Suppliers of training equipment and material rank second with 26.9% and 29.1% respectively. The use of industry associations is less frequent (23.9% and 24.1% respectively).

Public organizations are not as active as private organizations in the various stages of the training process being used by less than 40.0% of establishments. Indeed, the respective use of teaching institutions in the two training phases is 21.1% and 29.5%. Finally, the use of manpower centers and government agencies is even less frequent at 17.1% and 16.9% respectively.

An analysis of the use of external resources by type of training shows that establishments use their own resources less frequently in the case of vocational training. However, regardless of the type of training, establishments use the services of private training organizations more than those of public organizations. Manpower centers, other government agencies and teaching institutions were used more frequently in the case of training other than vocational (i.e. - training of non-vocational nature but related to the job or training of general nature) (see Tables 16 and 17).

Furthermore, establishments with a training policy or program made greater use of public training organizations to assess their training needs and to develop and evaluate their training activities. Indeed, teaching institutions were used by 25.3% of establishments with a training policy or program and by 15.6% of establishments without a policy or program. The respective percentages for the use of manpower centers were 22.3% and 9.6%.

TABLE 15

Distribution of Establishments Reporting Training  
During Working Hours, by Type of Resource

<u>TYPE OF RESOURCE</u>	TRAINING PHASES		ESTABLISHMENTS	
	Number	%	Number	%
<u>Internal Resources Only</u>	168	51.6	136	42.1
<u>Internal Resources With Private Organizations:</u>				
Industry association	78	23.9	78	24.1
Training consultants or professionals	97	30.5	110	34.1
Supplier of training equipment or material	87	26.9	94	29.1
SUB-TOTAL	207	62.4	227	68.5
<u>Public Organizations:</u>				
Teaching institution	68	21.1	95	29.5
Manpower centre or government agency	55	17.1	55	16.9
SUB-TOTAL	101	31.2	123	38.2

(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested. (N = (N = 325)).

(2) Idem. (N = 323)

TABLE 16

Distribution of Establishments  
Reporting Training During Working Hours,  
by Type of Resource and Type of Training

(Assessment of Training Needs, Development and Evaluation of Training).

TYPE OF RESOURCE	TYPE OF TRAINING				Total
	Vocational Training	Job-related Non-Vocational Training	Training of General Nature	Other Training	
(1)	%	%	%	%	%
<u>Internal resources only</u>	53.5	61.0	68.3	-	51.6
<u>Internal resources with</u>					
Private Organization	63.4	59.9	60.9	-	62.4
Public Organization	29.7	42.7	43.8	-	31.2
TOTAL	(299)	(160)	(104)	(17)	(325)

(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested.

TABLE 17

Distribution of Establishments  
Reporting Training During Working Hours,  
by Type of Resource and Type of Training

TYPE OF RESOURCE	(1) %	TYPE OF TRAINING				Total %
		Vocational Training	Job-related Non- Vocational Training	Training of General Nature	Other Training	
Internal resources	44.1		55.1	61.0	-	42.1
Internal resources with						
Private Organization	69.5		64.5	66.1	-	68.5
Public Organizaiton	37.9		49.6	53.5	-	38.2
TOTAL	(297)		(159)	(103)	(17)	(323)

(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested.

e) Award of Certificate

In our survey, 53.1% of the establishments reported that some of their employees received a certificate upon completion of training. Of these, 51.5% of the certificates were awarded by teaching institutions. The other external resources accounted for approximately one quarter of the certificates awarded (see Table 18).

TABLE 18

Distribution of Establishments Reporting  
Training During Working Hours and  
Award of Certificate, by Awarding Organization

<u>AWARDING ORGANIZATION</u>	<u>ESTABLISHMENTS</u>	
	<u>Number</u>	<u>%</u>
Industry association	47	21.2
Training consultants and professionals	61	27.7
Suppliers of training equipment and material	54	24.7
Teaching institution	113	51.5
Establishment, parent company or head office	47	21.5

---

(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and award of certificate and which supplied the information requested. (N = 220).

f) Recognition of Completed Training by the Establishment

To complete our description of the characteristics of training during working hours, we will determine whether training has any impact on the working conditions of employees who receive training. A large proportion of the establishments (80.6%) reported that training does not lead to a transfer, promotion or wage increase. In fact, only 28.6% of the firms stated that some of their training activities were associated with a transfer or promotion (recent or forthcoming) and 15.5% reported connection with a wage increase (see Table 19).

It should be noted that the proportion of establishments reporting training associated with a transfer, promotion or wage increase is higher among firms with a training policy or program. In the case of transfers or promotions, the proportions are 33.8% and 19.9% respectively compared to 19.4% and 9.0% in the case of wage increases.

TABLE 19  
Distribution of Establishments Reporting  
Training During Working Hours,  
By Impact on Working Conditions

<u>IMPACT OF TRAINING</u>	<u>ESTABLISHMENTS</u> (1)	
	Number	%
Transfer of promotion (recent or forthcoming)	78	28.6
Wage increase	42	15.5
No impact	220	80.6

(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested. (N = 272).

## 2.2.2 On-the-Job Training

### a) Type of Training

71.2% of the sampled establishments provide on-the-job training for new employees. The purpose of on-the-job training is to update or develop the skills of the employee (61.2% of the cases), and to provide industrial health and safety training (21.8% of cases) see Table 20.

TABLE 20

#### Distribution of Establishments Reporting On-the-job Training, by Type of Training

<u>TYPE OF TRAINING</u>	<u>ESTABLISHMENTS</u> <u>(1)</u>	
	<u>Number</u>	<u>%</u>
Orientation Training for new employees	347	71.2
Training to update or develop skills	298	61.2
Industrial health and safety training	106	21.8

### b) Type of Resource Used in On-the-job Training

Usually, the employer is solely responsible for on-the-job training. In Quebec, 71.4% of the sampled establishments used internal resources, exclusively or in part, for on-the-job training.(2) As in the case of training

(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported on-the-job training and supplied the information requested. (N = 487).

(2) Within the 71.4%, two thirds used internal resources only.

during working hours, the principal external resources used for on-the-job training were private training organizations: training consultants and professionals (24.3%) and suppliers of training equipment and material (19.6%). Public organizations were used less frequently: manpower centers and government agencies (18.2%), and teaching institutions (12.0%) (see Table 21).

TABLE 21

Distribution of Establishments Reporting  
On-the-job Training, by Type of Resource

<u>TYPE OF RESOURCE</u>	<u>ESTABLISHMENTS</u> (1)	
	<u>Number</u>	<u>%</u>
<u>Internal Resources Only</u>	375	71.4
<u>Internal Resources With:</u>		
Manpower center or government agency	96	18.2
Industry association	61	11.6
Training consultants or professionals	128	24.3
Teaching institution	63	12.0
Supplier of training equipment and material	103	19.6

The fact that internal resources are used exclusively in the majority of cases confirms that on-the-job training requires a lesser degree of organization.

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(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported on-the-job training and supplied the information requested. (N = 525)

According to Table 22, 36.9% of establishments use external resources mostly for industrial health and safety training and 30.8% for updating and development of skills. Orientation training for new employees requires little use of external resources (13.2%).

TABLE 22

Distribution of Establishments Reporting  
On-the-job Training, by Type of Resource  
and Type of Training

<u>TYPE OF RESOURCE</u>	<u>TYPE OF TRAINING</u>		
	<u>Orientation</u> <u>Training</u>	<u>Updating</u> <u>and</u> <u>Development</u> <u>of skills</u>	<u>Industrial</u> <u>health and</u> <u>safety</u> <u>training</u>
Internal resources only	86.8	69.2	63.1
Internal and external resources	13.2	30.8	36.9
TOTAL	100 (344)	100 (292)	100 (106)

c) Award of Certificate

Only 20% of the establishments stated that some of their employees received a training certificate. It should be noted, however, that this percentage varies with the type of training provided and the type of resource used for on-the-job training.

Among the firms which reported on-the-job training, 42.7% stated that some of their employees received a certificate

upon completion of industrial health and safety training; 26.9% following training to upgrade or develop skills; and 13.9% following orientation training for new employees (see Table 23).

TABLE 23

Distribution of Establishments Reporting  
On-the-job Training by Award of Certificate  
and Type of Training

AWARD OF CERTIFICATE	TYPE OF TRAINING		
	Orientation Training	Updating and development of skills	Industrial health and safety training
%	%	%	
YES	13.9	26.9	42.7
NO	<u>86.0</u>	<u>73.1</u>	<u>57.3</u>
TOTAL	100 (344)	100 (294)	100 (105)

As shown in Table 24, employees are more likely to receive a certificate when external training resources are used. On the other hand, no certificate is awarded 90% of the time when only internal resources are used.

TABLE 24

Distribution of Establishments Reporting  
On-the-job Training by Award of Certificate  
and Type of Resource

<u>TYPE OF RESOURCE</u>	<u>AWARD OF CERTIFICATE</u>		
	<u>YES</u> <u>%</u>	<u>NO</u> <u>%</u>	<u>TOTAL</u> <u>%</u>
<u>Internal resources only</u>	9.4	90.6	100 (372)
<u>Internal resources with:</u>			
Manpower center or government agency	53.5	46.5	100 (94)
Industry association	40.8	59.2	100 (61)
Training consultants or professionals	36.9	63.1	100 (126)
Teaching institution	55.5	44.5	100 (63)
Supplier of training equipment and material	28.1	71.9	100 (100)

### 2.2.3 Training Outside Working Hours<sup>(1)</sup>

#### a) Type of Resource Used for Training Development and Instruction

The majority (83.3) of the sampled establishments reimbursed their employees for the cost of tuition fees when training took place in teaching institutions<sup>(2)</sup>, 33.4% in the case of training by a professional or technical association, 32.9% in the case of training by private organizations, and 17.0% in the case of training by industry associations (see Table 25).

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- (1) Training "outside working hours" refers here to "tuition aid programs" initiated by employers to reimburse employees for the cost of educational activities undertaken outside working hours.
- (2) 64.5% of these establishments paid tuition fees for university courses, 47.2% for college courses, and 22.1% for high school courses.

TABLE 25

Distribution of Establishments Reporting  
Reimbursement of Tuition Fees, by Type of Resource

<u>TYPE OF RESOURCE</u>	<u>ESTABLISHMENTS</u>	
	Number	(I) %
Industry association	65	17.0
Professional or technical association	115	33.4
Private training organization	113	32.9
Teaching institution	286	83.3

b) Recognition of Completed Training by Establishment

Recognition of completed training is infrequent. In 80% of the sampled establishments, training is not associated with a transfer, promotion or wage increase. Only 22.7% of the firms stated that some of their employees had received training in connection with a transfer or promotion (recent or forthcoming), including 10.8% in connection with a wage increase.

2.2.4 Highlights of the Three Forms of Training

a) Training During Working Hours

The majority of establishments provide vocational training. The other types of training (training of a

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(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training outside working hours and supplied the information requested. (N = 343).

non-vocational nature but job-related and training of a general nature) are secondary.

- The training provided is generally of short duration. A relatively small number of establishments provided extended training during the past fiscal year.

- A large proportion of establishments provide training entirely outside the work environment. However, half provide a mixed training program (i.e. - both outside and inside the work or production environment). Bearing in mind the extent of on-the-job training<sup>(1)</sup> (i.e. - training which takes place entirely within the work or production environment), it can be said that training provided entirely or partially within the work or production environment figures prominently among establishment training formulas.

- Although the establishment plays a predominant role in this form of training and often relies exclusively on internal resources, external resources like private training organizations are often used (training consultants and professionals, suppliers of training equipment and material, industry associations). Training by teaching institutions, manpower centers and other government agencies is less common.

- A small number of employees received a certificate upon completion of training in a small majority of establishments. In these firms, slightly more than half of the certificates are awarded by teaching institutions. Despite the relatively minor role of teaching institutions in training during working hours, they remain the principal source of certificates.

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(1) 69.4% of establishments provide on-the-job training.

- Training acquired by employees is generally unrecognized by the establishment, i.e. - not followed by a transfer, promotion or wage increase.

b) On-the-job Training

- On-the-job training is almost exclusively based on vocational training or job-related training of a non-vocational nature.

- The establishment usually relies exclusively on internal resources for this form of training but occasionally uses external resources. In that case, private training organizations are more popular than public organizations.

- Some employees receive a training certificate in one establishment out of five.

c) Training Outside Working Hours

- Employers usually reimburse the tuition fees of their employees for training by teaching institutions and less frequently for training by other resources.

- Completed training is left unrecognized most of the time. Very rarely does this type of training lead to a transfer, promotion or wage increase.

2.3 Division of Responsibility (Control) Between Employers and Employees

Division of responsibility will be described for each form of training according to the following three variables, where data is available.(1):

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(1) Complete data was available for training during working hours and training outside working hours, but data on only one variable was available for on-the-job training, data on initiation of training.

- 1) initiation of training
- 2) mandatory or optional character of training; and
- 3) access conditions.

### 2.3.1 Training During Working Hours

#### a) Initiation of Training

Training was usually initiated, at least in part, solely by the employer in 74.5% of the establishments and introduced by collective agreement or some other agreement in 19.1% and 32.1% of establishments respectively (see Table 26).

TABLE 26

#### Distribution of Establishments Reporting

#### Training During Working Hours,

#### by Initiation of Training

<u>INITIATION OF TRAINING</u>	<u>ESTABLISHMENTS</u> (1)	
	<u>Number</u>	<u>%</u>
Employer initiative	242	74.5
Collective agreement	62	19.1
Other agreement	104	32.1

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(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested. (N = 325)

It should be noted that establishments reporting a training policy or program acted in accordance with a collective agreement (22.9%) more often than establishments with no training policy or program (13.6%).

b) Mandatory or Optional Character of Training

Training during working hours is usually mandatory rather than optional in character as the employee is generally more or less forced to take the training. Training was required of the employee or recommended to him by the employer in 38.0% and 50.6% of establishments respectively. The incidence of allowing freedom of action is lower: employees may request training and choose their training, subject to employer approval, in 33.2% and 21.4% of establishments respectively (see Table 27).

TABLE 27

Distribution of Establishments Reporting  
Training During Working Hours,  
by Mandatory or Optional Character of Training

<u>MANDATORY OR OPTIONAL CHARACTER OF TRAINING</u>	<u>ESTABLISHMENTS</u>	
	Number	(1) %
Employee is required to train	126	38.0
Employee is recommended to train	168	50.6
Employee requests training subject to approval	110	33.2
Employee chooses training	71	21.4

It should be noted that establishments with a training policy or program generally tend to require their employees to take training (42.1% more than those with no training policy or program (28.4%).

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(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested. (N = 331)

c) Access Conditions

The most common access condition set by employers is that training must be related to the employee's job or position. This was reported in 82.9% of the establishments. Only 27.0% reported no special condition for access to training. Another 20.8% of the establishments require a positive employee performance evaluation (see Table 28). This condition is more frequent among establishments with a training policy or program (24.2%) than among those without (14.3%). Access to training is therefore necessarily related to the employee's job or position.

TABLE 28

Distribution of Establishments Reporting

Training During Working Hours, by

Access Condition

<u>ACCESS CONDITION</u>	<u>ESTABLISHMENTS</u> (1)	
	Number	%
No special condition (for all or part of training)	89	27.0
Minimum length of service	51	15.5
Training related to job or position	274	82.9
Positive performance evaluation	69	20.8
Commitment to work in the establishment for a specified period	21	6.2
Other	5	1.6

(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested. (N = 330)

### 2.3.2 On-the-job Training

#### a) Initiation of Training

At least part of the training was initiated solely by the employer in 87.5% of the establishments and all the training in 90% of these firms. Training was introduced by collective agreement in only 10.1% of the establishments and by some other agreement in 14.0% of establishments (see Table 29).

TABLE 29

#### Distribution of Establishments Reporting On-the-job Training, by Initiation of Training

<u>INITIATION OF TRAINING</u>	<u>ESTABLISHMENTS</u> (I)	
	<u>Number</u>	<u>%</u>
Employer initiative	460	87.5
Collective agreement	53	10.1
Other agreement	74	14.0

### 2.3.3 Training Outside Working Hours

#### a) Reimbursement of Tuition Fees

The decision to reimburse tuition fees for training outside working hours is usually made solely by the employer, at least in part (81.7% of establishments). Among these firms, all decisions were made solely by the employer 90% of the time.

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(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested. (N = 526)

Reimbursement of tuition fees was made in accordance with a collective agreement in 14.6% of establishments and in accordance with some other agreement in 12.1% of establishments (see Table 30). It should be noted that establishments with a training policy or program tend to comply with the provisions of collective agreements more than those without (20.6% compared to 6.9%).

TABLE 30

Distribution of Establishments Reporting  
Training Outside Working Hours,  
by Reimbursement of Tuition Fees

<u>REIMBURSEMENT OF TUITION FEES</u>	<u>ESTABLISHMENTS</u>	
	<u>Number</u>	<u>%</u>
Employer initiative	286	81.7
In accordance with a collective agreement	51	14.6
In accordance with some other agreement	42	12.1

b) Mandatory or Optional Character of Training

It should seem that employees enjoy more freedom with respect to training outside working hours as 73.0% of the establishments reported that they approved requests by employees. The mandatory aspect is less common than in the case of training during working hours: 42.2% of the establishments recommended to employees that they take training and 28.4% required them to do so (see Table 31).

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(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training during working hours and supplied the information requested.  
(N = 350)

TABLE 31

Distribution of Establishments Reporting  
Training Outside Working Hours,  
by Mandatory or Optional Character of Training

<u>MANDATORY OR OPTIONAL CHARACTER OF TRAINING</u>	<u>ESTABLISHMENTS</u>	
	Number	(I) %
Employee is required to train	98	28.4
Employee is recommended to train	149	42.4
Employee requests training subject to approval	254	73.0
Employee chooses training	104	29.6

Establishments with a training policy or program are more likely to require their employees to take training. Indeed, 35.1% of these establishments reported that their employees had to take training compared to 20.2% of establishments with no training policy or program. Furthermore, 48.8% of establishments with a training policy or program recommended to employees that they take training compared to 34.1% of establishments without.

c) Access Conditions

Among the conditions set by establishments for reimbursement of tuition fees, training related to the employee's job or position was clearly predominant (82.7% of

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(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training outside working hours and supplied the information requested. (N = 351)

establishments). Other conditions such as a positive employee performance evaluation and a minimum length of service in the establishment recorded smaller percentages (21.1% and 18.6% respectively). In addition, 18.8% of establishments set no special condition for certain types of training (see Table 32).

TABLE 32

Distribution of Establishments Reporting

Training Outside Working Hours

By Access Condition

<u>ACCESS CONDITION</u>	<u>ESTABLISHMENTS</u> (1)	
	<u>Number</u>	<u>%</u>
No special condition (for all or part of training)	65	18.6
Minimum length of service	65	18.6
Training related to the job or position	289	82.7
Positive performance evaluation	74	21.2
Commitment to work in the establishment for a specified period	13	3.8
Other	16	4.6

(1) These percentages total more than 100 because more than one response is possible. They are based on the number of sampled establishments which reported training outside working hours and supplied the information requested.  
(N = 349)

#### 2.3.4 Highlights of Division of Responsibility

- Regardless of the form of training, training is usually initiated solely by the employer. Less frequently, it is introduced by collective agreement or some other agreement.

- The mandatory or optional character of training varies depending on whether training takes place during or outside working hours. Training is more mandatory in the case of training during working hours. With respect to training outside working hours, employers have a tendency to allow more freedom reserving the right to approve employee requests.

- One condition predominates access to training during or outside working hours: training must be related to the employee's job or position.



### 3. OVERVIEW OF SURVEY FINDINGS

The theoretical framework of our survey<sup>(1)</sup> enabled us to state that establishment training implies the integration of the concept of skill development with respect to workers as well as jobs. Without widening the worker-job dichotomy, we nevertheless showed that training or skill development can meet the needs and interests of each of the social partners.

Skill development is a product of the evolution of the economic structure and its consequences in terms of changes in the structure of jobs and changes in the skills required of workers to perform these jobs. To understand the logic of establishment training, it is necessary to refer to labour market theories in order to define the relationships between training, jobs and wages.

We have dismissed the human capital theory because it fails to explain the relationships between these three elements. Indeed, the assumption of a uniform labour market in perfect competition, which forms the basis of the neo-classic theory, does not seem to be validated by the empirical studies which used this approach. Thus, we consider invalid the statement suggested by human capital theory that employees can make a rational decision to invest in training by counting on the necessary and immediate relationship between the level of training attained and the job benefits derived from it in terms of wages.

Rather, we have maintained the assumption of a dualistic structure, i.e. - a stratified (or segmented) labour market which predetermines to a large extent the workers' "chances of access": a central (or primary) labour market and a peripheral (or secondary) labour market. This approach implies that the workers' chances of access to establishment training

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(1) For information on this theoretical framework, refer to Chapter 1 of main report (survey of establishment training practices).

will vary considerably according to the establishment and their position in the firm's hierarchy.

Training in establishment operating in the primary (or central) market generally meets the need to adapt workers to the new requirements of production. It is therefore in the direct and immediate interest of the establishment to develop worker skills in order to increase productivity. The secondary (or peripheral) market, on the other hand, will generate much fewer training needs.

Therefore, depending on the labour market in which they are employed, workers' access to training will vary. The objective of increasing productivity goes hand in hand with a second objective, that of minimizing the cost of training. This second objective will affect both the nature and control of training. Training, which can be considered as a useful and necessary tool for both partners (the firm benefits from a skilled labour force and the employees benefit by securing their position in the labour market), can raise sometimes divergent if not conflicting interests.

We are therefore faced with two points of view: that of establishments seeking to develop a skilled labour force to meet production requirements at minimal cost (these establishments will prefer short-term training directly related to the job and not recognized in occupational or pay scales), and that of workers seeking to improve their labour skills (these workers will prefer training activities that develop their skills and are recognized by the firm in the form of a change in their working conditions, in short, activities oriented towards a true conversion of the labour force and not simply toward job adaptation).

Based on this approach, we sought to paint a picture of establishment training in Quebec and determine the situation regarding the three major aspects of establishment training: access to training, nature (characteristics) of training and control of training (division of responsibility).

The assumptions we sought to verify regarding these aspects were as follows:

Access to Training

- 1) Based on data from previous surveys, we assumed that the training effort and number of employees who received training was quite limited in Quebec.
- 2) Based on the establishment point of view presented in our theoretical framework, we made the assumption that access to training varies among employees.

Characteristics of Training

- 3) The objective of increasing productivity at minimal cost led us to assume the existence of a predominant model with the following characteristics: training of short duration related to the job or position and not recognized in the form of a certificate or diploma nor by changes in working conditions. This type of model is more utilitarian than oriented towards improving the quality of the labour force in general.

Control of Training

- 4) Based on the economic rationale which guides establishments (increase in productivity at minimal cost), we made the assumption that employers exercise major control over

the implementation of training. This implies that, generally, employees and their organizations play a relatively minor role in training.

Let us now look at what happens to these assumptions in the light of the findings of the survey conducted among establishments with twenty or more employees in Quebec. The first observation concerns the extent of establishment training. Based on the broadest measurement, both potential access (83.3% of the establishments employing 95.3% of the total labour force covered by our survey) and real access (36.2% of participants) proved to be clearly higher than expected.

The extent of training in Quebec tends to confirm that the development of establishment training, at least within the primary (or central) market, is an established fact. This invalidates the assumption, made on the basis of previous surveys conducted nationwide, that establishment training in Quebec is relatively limited. Of course, it is still possible that establishments in Quebec provide less training than those in other parts of Canada. Also, as mentioned previously, it is very difficult, for many reasons, to compare our findings with those of the previous surveys without distorting them considerably. Nevertheless, we can state that establishment training is widely practiced in Quebec.

However, despite the extent of training, the fact that less than half of the establishment provide favourable conditions causes us to maintain the assumption that access to training is varied and supports the claim that access to training is discriminatory depending on the characteristics of establishments and their employees. A more comprehensive analysis of the characteristics of establishments shows, in general, that employees of small firms or independent firms have a clearly more limited access to training.

The same applies to the position of the employees in the firm's hierarchy. Executive, professional and managerial employees have much easier access to training than the unskilled employees at the other end of the organization who can be called the "rejected" of the training system. It would seem that establishment training tends to increase rather than reduce inequality in the work force and that discriminatory effects due to the characteristics of the establishments and their employees are cumulative.

The analysis of the characteristics of training tends to confirm the existence of a predominant model based on training of short duration related to the job or position and not recognized by the firm in the form of a transfer, promotion or wage increase. Our survey indicates that extended training is practically non-existent outside the public and para-public sectors, that training of a social or general nature is secondary among the types of training provided to employees, and that completed training is very rarely recognized by the establishment in the form of a transfer, promotion or wage increase. However, a majority of establishments indicated that some of their employees receive a certificate upon completion of training provided during working hours. This limits the assumption, that completed training goes unrecognized, to the direct impact of training on the employee's working conditions.

The findings on control of training indicate the predominant role of employers. It can be said, in general, that training is the employer's prerogative and that the employees and their organizations play a relatively minor role in the entire process. Training is rarely introduced by collective bargaining or some other agreement. In the case of the principal form of training, during working hours, employees are required to accept training like other tasks assigned to them. However, in the case of training outside working hours,

employers tend to allow more freedom, provided the training is related to the employee's job or position.

Despite the relatively broad indicators we used in our survey, we conclude from our findings that establishment training in Quebec meets the same kind of needs as in other developed societies: training is designed to increase labour force productivity by adapting it to production requirements. Our findings on the characteristics of training and control of training also tend to show that the situation in Quebec is consistent with this model.

Considering the nature of training and the lack of control by employees and their organizations over training, we can state that establishment training, as a general rule, is directly related to the firm's immediate need to adapt the worker to the job. In this respect, a large part of the labour force is employed by firms capable of meeting these needs. However, it is less obvious that available training can adequately meet the skill development needs of workers who seek to improve their competence, hedge against layoffs or plant closures, improve their chances of promotion within the firm and obtain more steady, more satisfying and better paying jobs.

At the end of this report, we have raised certain questions regarding employer-employee interests in training, based on the findings of the survey among establishments providing training.

- Is it possible to reduce the inequality of access to training which has been associated with the characteristics of the establishments and their employees?

- Can the various objectives of establishment training be reconciled so as to meet both the need to adapt the

labour force to the job and the need to develop the skills of the labour force?

- What role should be played by each of the social partners and the government so that establishment training can meet these needs.

- These questions must be answered if we are to tackle the shortcomings of the present system and promote more democratic job training practices.



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